Year	Milk Production (Million Tonnes)	%Growth
2004-05	92.5	4.99
2005-06	97.1	4.97
2006-07 (projection)	100.00	2.98

Milk production figures (projection) for the current year have not been finalized.

MRP of generic medicines

2642. SHRI GIREESH KUMAR SANGHI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(b) whether MRP of a large number of generic medicines sold to Chemists and other Medical Stores are more than 400 percent of price of medicines supplied to them;

(b) whether Chemist and Medical Stores sell such medicines at MRP and without issuing a valid receipt to customers;

(c) whether Government has no control on fixing rates of such medicines so that the same could reach needy patients at minimum possible prices;

(d) whether Government have come across any connivance or collusion of officials of Drug Control department in letting this malpractice go on for a long time; and

(e) the steps taken to stop this malpractice?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (e) MRP of a large number of generic medicines sold to Chemists and other Medical Stores is more than 400% of price of medicines supplied to them. This happens in the case of generic medicines. In India, Generic medicines are considered to be those which are sold through trade channels without involving medical representatives. The trade margin of these medicines is usually very high to cover the marketing expenses by the traders. It is proposed to streamline the system of trade margins through the Draft National Pharmaceutical Policy, 2006.

Profit margin of drug manufacturers, wholesalers and retailers is included in the maximum retail price of medicines being sold in the country. Government *vide* notification SO No.946(E) dated 26.6.2006 has made it mandatory to print MRP inclusive of all taxes on the medicines manufactured after 2.10.2006 in respect of indigenous medicines and 1.3.2007 for imported medicines. As a result nobody can sell a medicine at a price higher than printed on its label. Regarding selling of such generic medicines at MRP and without issuing a valid receipt to customers by the Chemist and Medical Stores, no such specific case has been brought to the notice of this Department in the recent past. This issue is under the purview of State Drug Controllers.

The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. The price fixation/ revision of the Scheduled Drugs and formulations is a continuous process under DPCO, 95. In case of any violation of the price fixed by NPPA, action for recovery of overcharging amount is taken by NPPA

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R and C expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

Revival of sick units

2643. SHRIMATI SHOBHANA BHARTIA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) in view of the growing consumption of fertilizers in the country whether Government have decided to revive all the sick fertilizer units as well as re-opening of those closed;

(b) whether his Ministry has earmarked a total investment of Rs.22,000 crores for this purpose;

(c) whether the consumption of fertilizers in the country was at 250 lakh tonnes during the last fiscal as against 230 lakh tonnes on the year before and which is estimated to cross 300 lakh tonnes within five years; and

(d) if so, what are the concrete measures and steps Government are considering to take to improve the sick fertilizer units and also to improve its production?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Keeping in view the growing consumption of fertilizers in the country, Government has decided 'in principle' to examine the feasibility of revival of closed units of Fertilizer Corporation of India Limited (FCIL) and Hindustan Fertilizer Corporation Limited (HFCL) subject to confirmed availability of gas.

(b) The quantum of investment required is yet to be ascertained.

(c) Sales of main fertilizers *i.e.* Urea, DAP and MOP in the country during 2005-06 and 2006-07 and demand projections for the year 2011-12 as per Working Group Report on Fertilizer Industry for the Eleventh Plan are given below:

(In lakh tonne)

	2005-06	2006-07	2011-12 (Projected)
Urea	221.91	244.52	287.55
DAP	67.53	69.75	95.10
MOP	26.08	23.17	37.40